

# Bell Financial Group

**FOR IMMEDIATE RELEASE TO MARKET**

**PRE QUOTATION DISCLOSURE**

**7 December 2007**

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## **1. BELL FINANCIAL GROUP LTD INITIAL PUBLIC OFFER**

Bell Financial Group Ltd ("**Bell Financial**") has successfully completed its initial public offer. The offer comprised the General Offer, Employee Discount Offer and Employee Grant Offer of fully paid ordinary shares in the capital of Bell Financial ("**Shares**") under the terms of its prospectus dated 2 November 2007 ("**Prospectus**").

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## **2. BASIS OF ALLOCATION**

Valid applications under the General Offer, Employee Discount Offer and Employee Grant Offer have been accepted and Shares under these offers were allocated by Bell Financial on Wednesday, 5 December 2007.

Successful applicants under the General Offer, Employee Discount Offer and the Employee Grant Offer have been advised of their allocations by Bell Financial.

Initial holding statements were despatched to successful applicants under the General Offer, Employee Discount Offer and Employee Grant Offer by Bell Financial today, Friday, 7 December 2007.

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## **3. ASX TRADING**

Bell Financial shares are expected to commence trading on ASX on Wednesday, 12 December 2007, at the commencement of trading under ASX code "**BFG**".

All applicants are responsible for confirming the number of Shares allocated to them prior to selling any Shares. Applicants who sell Shares before receiving their holding statement do so at their own risk.

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## **4. ALLOCATION OF SHARES**

Bell Financial is pleased to confirm that 43,906,821 Shares were allocated as follows:

Offer	Number of Shares allocated
General Offer	33,953,321
Employee Discount Offer	9,819,500
Employee Grant Offer	134,000
<b>Total Shares</b>	<b>43,906,821</b>

Offer	Offer Price
General Offer	\$2.00 per share
Employee Discount Offer	\$1.80 per share
Employee Grant Offer	Nil

## 5. TWENTY LARGEST HOLDERS

A list of the twenty holders of Shares (being the only class of securities of Bell Financial) and the number and percentage of Shares held by those holders is set out in Schedule 1.

## 6. DISTRIBUTION SCHEDULE OF RANGE OF HOLDERS

A distribution schedule of the numbers of holders of Shares is set out below:

Range of holders	Number of holders	Number of Shares	% of total issued Shares
1 - 1,000	315	230,541	0.10%
1,101 - 5,000	1,616	5,695,365	2.50%
5,001 - 10,000	577	5,113,906	2.25%
10,001 - 100,000	521	14,563,781	6.40%
100,001 and over	72	202,026,930	88.75%

## 7. STATEMENT BY DIRECTORS

The directors of Bell Financial have provided a statement ("Directors' Statement") in accordance with ASX Listing Rule 1.2.5A. The Directors' Statement is set out in Schedule 2.

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## 8. ASSET ACQUISITIONS

On Wednesday, 5 December 2007 Bell Financial completed the acquisition of the following assets as described in section 11.3 of the Prospectus:

- (a) the purchase of all of the issued capital of Bell Potter Capital Ltd (ACN 085 797 735) from Bell Commodities Limited;
- (b) the purchase from Bell Commodities Limited of its futures and foreign exchange business; and
- (c) the purchase of all of the capital of Global U&I Management Pty Ltd (ACN 071 339 805) from Bell Commodities Limited, Colin Bell, Alastair Provan, Craig Coleman and Lionel McFadyen.

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## 9. VOLUNTARY ESCROW

The following Shareholders of Bell Financial have entered into Escrow Deeds with Bell Financial under which they are restricted from selling their Shares until 12 months after the Listing of Bell Financial on the terms described in section 11.4 of the Prospectus.

Name of Shareholder	Number of Shares
Bell Commodities Limited	117,967,345
UBS AG, Australia Branch	42,232,044
Colin Bell	615,161
Alastair Provan	615,161
Craig Coleman	39,264
Lionel McFadyen	2,294,101
Bungeeltap Pty Ltd	6,660,270
Trabatu Pty Ltd	1,687,481
Hawk Capital Pty Ltd	1,349,985
Mark Charles Paterson and Suzanne Louise Patterson	1,349,985
Fatty Holdings Pty Ltd	1,621,019

In addition, the following securityholders of Bell Financial are also subject to escrow arrangements:

- successful applicants for Shares under the Employee Discount Offer or the Employee Grant Offer;

- successful applicants for options to acquire Shares ("**Options**") in accordance with Bell Financial's Long Term Incentive Plan; or
- certain employees of Bell Financial or its subsidiaries issued with Shares in connection with the termination of the Bell Financial's Phantom Equity Scheme.

Number of Securityholders	Escrow periods
343 Shareholders under the Employee Discount Offer	Until 11 December 2008 (1 year after listing)
268 Shareholders under the Employee Grant Offer	Until 11 December 2010 (3 years after listing)
192 Holders of Options under the Long Term Incentive Plan	Until 11 December 2010 (3 years after listing)
42 Shareholders issued shares under the Phantom Equity Scheme	Until 11 December 2008 (1 year after listing)

## 10. EQUITY BASED PLANS

Bell Financial has established the following equity-based plans described in its Prospectus:

- Long Term Incentive Plan (pursuant to which options to subscribe for Shares are granted to the Executive Chairman, the Managing Director and selected other directors, senior executives and Bell Financial advisers) ("**LTIP**"); and
- Employee Share Acquisition Plan (pursuant to which the Employee Grant Offer is made to eligible employees) ("**ESAP**").

A copy of the terms of the LTIP and ESAP can be obtained by accessing Bell Financial's announcements page on the ASX website ([www.asx.com.au](http://www.asx.com.au)).

## 11. BELL DIRECT CALL OPTION AND ASIC RELIEF

Bell Financial has been granted a call option to acquire 100% of the issued capital of Bell Direct Holdings Pty Ltd (ACN 121 227 923) (which holds 25% of the issued capital of Third Party Platform Pty Ltd (ACN 121 227 905) (trading as Bell Direct)) ("**Bell Direct Call Option**"). Bell Financial may exercise the Bell Direct Call Option in a period of 30 days after the date two years after Listing in consideration of the issue of \$17,500,000 worth of Shares to certain individuals.

As disclosed in the Prospectus, it is a condition of exercise of the Bell Direct Call Option that the issue of Shares to the grantors of the Bell Direct Call Option will not contravene the Corporations Act 2001 (Cth) or the ASX Listing Rules. Additionally, the Bell Direct Call Option is not exercisable until two years after Bell Financial is admitted to the Official List of ASX.

At this stage, the Board of Bell Financial has not made the decision as to whether or not to exercise the Bell Direct Call Option. The decision concerning the Bell Direct Call Option will be assessed by the Bell Financial Board at the relevant time.

As set out in section 12.12 of the Prospectus, issued by Bell Financial on 2 November 2007, Bell Financial applied to ASIC for relief from the takeover provisions of Chapter 6 of the Corporations Act 2001 (Cth) in relation to the proposed issue of Shares to the grantors of the Bell Direct Call Option.

As at the date of this announcement, Bell Financial has not obtained the relief from ASIC and, as disclosed in the Prospectus, there is no certainty that ASIC will grant the relief sought.

In the event that Bell Financial does not obtain ASIC relief from Chapter 6, Bell Financial may if it is necessary to do so, seek shareholder approval to the proposed issue of Shares in accordance with item 7 of section 611 of the Corporations Act 2001 (Cth) at a future annual general meeting of Bell Financial.

## Schedule 1 - Twenty Largest Holders

Number	Shareholder Name	Number of Shares	% of Issued Capital
1	BELL COMMODITIES LTD	117,967,345	51.82
2	UBS NOMINEES PTY LTD	42,232,044	18.55
3	BUNGEELTAP PTY LTD	6,660,270	2.93
4	LIONEL MCFADYEN	2,294,101	1.01
5	ACCBELL NOMINEES PTY LTD	2,120,169	0.93
6	ANZ NOMINEES LIMITED	1,890,900	0.83
7	HSBC CUSTODY NOMINEES	1,875,000	0.82
8	TRABATU PTY LIMITED	1,687,481	0.74
9	FATTY HOLDINGS PTY LTD	1,621,019	0.71
10	HAWK CAPITAL PTY LTD	1,349,985	0.59
11	MARK CHARLES & SUZANNE LOUISE PATERSON	1,349,985	0.59
12	AMP LIFE LIMITED	1,250,000	0.55
13	PIRIE STREET NOMINEES PTY LTD	1,090,600	0.48
14	FADMOOR PTY LTD	1,000,000	0.44
15	KATANA CAPITAL LIMITED	1,000,000	0.44
16	PETER IRVING BURROWS AO	911,109	0.40
17	SNOWLOVE PTY LTD	750,000	0.33
18	NATIONAL NOMINEES LIMITED	717,500	0.32
19	JOHN MURRAY	694,056	0.30
20	COLIN BELL	615,161	0.27

**Schedule 2 - Directors' Statement**

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# Bell Financial Group

Bell Financial Group Ltd (ACN 083 194 763)

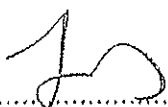
## Declaration of directors to be provided to ASX under ASX Listing Rule 1.2.5A

The directors each confirm that they have made enquiries and nothing has come to their attention to suggest that Bell Financial Group Ltd was not continuing to earn profit from continuing operations up to 5 December 2007.

  
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Colin Bell

Date: 5 December 2007

  
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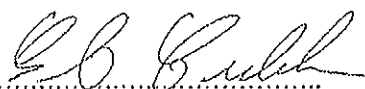
Alastair Provan

Date: 5 December 2007

  
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Craig Coleman

Date: 5 December 2007

  
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Graham Cubbin

Date: 5 December 2007